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Inovační potenciál podniku

An Enterprise‘s Innovative Potential

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Submission of Master Thesis

Declaration on Word of Honour

Hereby I declare my master thesis is elaborated independently by me using the sources stated in the list of references and consultations with my tutor.

In Sádek 25/04/2010

Bc. Dagmar Palzerová

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Table of Content

INTRODUCTION

During last century it was the United States who primarily started to focus on innovation after innovation. Nowadays this secular trend is worldwide spread. There are many countries placing innovation at the top of their national agendas. It isn't only Singapore, Finland, Chile or China who is designing new approaches to innovation strategy. Also many other countries pay much more attention to forward-looking education and talent-development policies, investing money into promising initiatives, and catching up new assets in the form of intellectual capital and infrastructure.

"Innovation is the specific instrument of entrepreneurship.
The act that endows resources with a new capacity to create wealth."

Peter Drucker

I share this statement with Peter Drucker as I'm personally very interested into innovation and its impact in organizations. After I enjoyed first lectures and studies about innovation in Finland, 3 year ago, and than also related courses in Czech Republic, it was not difficult to choose the topic of my thesis. During my internship of business administration in Germany I got to know Deutsche Post DHL quite well and when I had a first meeting at IT Services department in Bonn and heard about this interesting and for a solution calling issue that is subject of this thesis, I was deeply convinced to be at the right place.

There are three chapters in my thesis. Theoretical background of the studied topic, analytical part that analyses all gathered data and information and chapter of proposals and suggestions for the previously analyzed situations. Each chapter has a brief description on its beginning.

Target of my thesis is to create an effective and applicable scenarios for a single channel through which employees could submit ideas, inputs and improvements in a company, than determination of Key Performance Indicators (KPI) for idea assessment and to suggest a motivation and a reward system for the submitters.

1. THEORETICAL BACKGROUND

This chapter, with which the literature review section of the dissertation concludes, has sought to elucidate the definitional and theoretical frameworks of innovation and idea management.

1.1. Innovation

Innovation is more than a phase-gate process. It encompasses idea generation, prioritization and screening, governance and teams, quality and time-to-market, and much more. It also requires a culture of innovation that strengthens the internal organization while better serving customers and regulators.[1]

Innovation is a specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service. It is capable of being presented as a discipline, capable of being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation. And they need to know and to apply the principles of successful innovation[2].

The sources mostly explain an innovation as a process by which an idea or invention is translated into a good. It could be also a service for which people will pay. To represent an innovation's meaning, an idea must be replicable at an economical cost and must satisfy a specific need. Innovation involves deliberate application of information, imagination and initiative in deriving greater of different value from resources and encompasses all processes by which new ideas are generated and converted into useful products and services. In business, innovation results often come from the application of a scientific or technical idea

[1] KAR, S; TAYLOR, L. Capturing the Value of Innovation. ElectricLight&Power, September-October 2008. 54-55p.
[2] DRUCKER, F. Innovation and entrepreneurship: practice and principles. Rev. ed. New York: HarperCollins Publishers, 1993. 253p. ISBN-13: 978-0-06-095113-2

in decreasing the gap between the needs or expectations of the customers and the performance of a firm's products. Mostly innovations are created from inventions but it is also possible to innovate without inventing and to invent without innovating.

Innovation is a new way of usage of existing organization sources to gain new business opportunities – to find new options to increase returns out of its business actions.[1]

Often time it is thought:

- That innovation is coming out of big ideas. - In real an innovative idea comes mostly out of little crazy ideas giving often time stimulus to promising thoughts.
- That innovation is all about new products. - Mostly an innovation is evoked by usage of new entrepreneurial model.
- That innovative solution is not possible to learn, it is an outcome of creative ideas. - The opposite has proved is true.
- That innovation is for specialists out of research and development. – Enterprises' innovative potential is not locked only there. Innovative activities are and have to be matter of all employees. Specialists usually don't have a clue about what is natural to a person who is directly solving a problem or situation every day.
- That innovation is risky. – All business plans lead to future and all are connected to a risk; and so the innovations are. But not more than a business plan risk, which is as high as the investment to the intent.
- That innovation is costly. – They are not more costly than any other business plans.
- That innovation is an outcome of favourable circumstances coincidences. – It is not. Similar like in a case of quality management, it must be an outcome of conceptually working system that uses all possible sources of the organisation.

[1] PITRA, Z. Management inovačních aktivit, 1.vydání. Praha: Professional Publishing, 2006. 438s. ISBN 80-86946-10-X.p26.

1.1.1. Waves and Lessons of Innovation

Innovation gets rediscovered as a growth enabler every half-dozen years, which might relate to the length of a managerial generation. Too often, however, grand declarations about innovation are followed by mediocre execution that produces anaemic results, and innovation groups are quietly disbanded in cost-cutting drives. Each generation embarks on the same enthusiastic quest for the next new thing and faces the same challenge of overcoming innovation stifles.[1]

Over the past 30 years, there was conducted a research and advised companies during at least four major waves of competitive challenges that led to widespread enthusiasm for innovation.

The first one was the global information age and companies such as Apple Computer which made Silicon Valley a new base for product innovation, followed by IBM spheres of action. Sony Walkman and Toyota cars as representatives of high-quality Japanese products that came up with not just good product designs but also innovations in area of manufacturing processes, Total quality management was born.

The second wave represents the pressure to restructure during late 1980s. In Europe it was associated with the privatization of state-owned enterprises, which were exposed to the capital markets. Software became a major force behind innovation. Companies started to create new venture departments in order to capture the value of their own ideas and to avoid such a behemoth like Microsoft to arise outside a firm. Other innovations belonging to this wave are financial innovations and marketing where e.g. Gillette successfully launched a shaving system in an identical form worldwide with a single advertising message.

Third wave is driven by the digital mania of the 1990s. The World Wide Web pushed many companies to seek for radical new business models. Brick-and-mortar

[1] KANTER, R. M. Innovation: The Classic Traps. Harvard Business Review, November 2006. p73

companies were suddenly at a risk for extinction; many rushed to create stand-alone Web ventures, often not connected to the core business and sometimes even in a conflict with it. Customers were behind the new focus of capital markets. AOL for example bought Time Warner. They put its name first and proceeded to destroy value rather than create innovation.

The current innovation wave began by following the dot-com crash and belt-tightening of the global recession. Companies recognized the limits of acquisitions and become sceptical about technology hype. So companies refocused on organic growth. Giants like General Electric and IBM have adopted innovation as a corporate theme. IBM is seeking innovation by tackling difficult social problems that require its technology solutions. Customer and consumer markets have returned to centre stage. Social communication and its significant innovations are lead by Google products, My Space, Twitter, Facebook etc.

Each wave brought new concepts. For example, the rise of biotechnology, characterized by complicated licensing arrangements, helped legitimize the idea that established firms could outsource R&D and learn from entrepreneurial partners or that consumer products companies could turn to external idea shops, as well as their own labs, to invent new products. Approaches to innovation also reflected changing economic conditions and geopolitical events. And, of course, innovation has covered a wide spectrum, including technologies, products, processes, and complete business ventures, each with its own requirements.[1]

Innovation goes in or out of fashion as a strategic driver of corporate growth, but with every wave of enthusiasm, executives make the same mistakes. Most of the time, they stumble in their R&D efforts because they are engaged in a difficult balancing act: They need to protect existing revenue streams while coaxing along new ones. But „corporate entrepreneurship“ doesn’t have to be an oxymoron. Innovation can flourish if executives heed business lesson from the past.[2]

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[1] KANTER, R. M. Innovation: The Classic Traps. Harvard Business Review, November 2006. p73
[2] KANTER, R. M. Innovation: The Classic Traps. Harvard Business Review, November 2006. p79

The Classic Traps of Strategy

Not every idea has to be a thriller. Sufficient numbers of small and/or incremental innovation can bring a big profit. Companies shouldn't focus only on new product or service development. Transformative ideas can come from any function such as finance, production or distribution. Successful innovators use an „innovation pyramid" (Fig. 1.1.), where several breakthrough innovation at the top get most of the investment; a portfolio of midrange and promising differential ideas in a test stage; and a wide range of early stage ideas or incremental innovations.

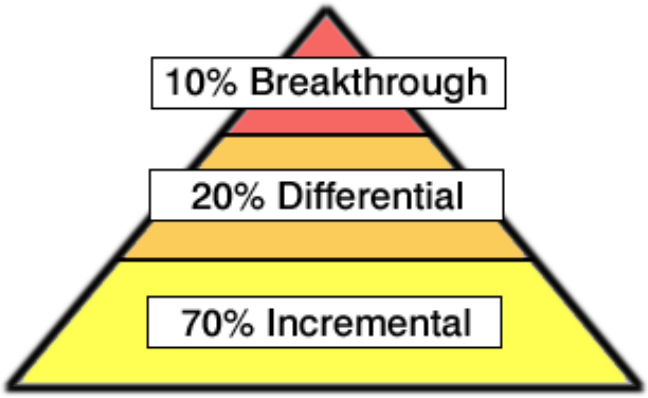

Fig. 1.1. Innovation Pyramid[1]

The 70-20-10 ratio of types of innovation is a practical guideline that applies to firms of all sizes and to all industry sectors (Tab. 1.1.).

Type of Innovation	Share of Resources	Degree of Novelty	Competitive Move	Innovation Scope	Complexity (Risk)	Time Frame	No. Of Projects
Breakthrough	10%	High	Disruptive	New products, processes and markets. Business model.	High	Long-term (months-years)	Few
Differential	20%	Medium	Expanding	New products, processes or markets.	Medium	Mid-term (weeks-months)	Several
Incremental	70%	Low	Sustaining	Existing products. Core processes.	Low	Short-term (days-weeks)	Many

Tab. 1.1. Levels of the Innovation Pyramid[2]

[1] Source: Spectrum Innovation Group. Innovation Pyramid. [online]. 2010 [cit. 2010-02-15]. Available from WWW: http://www.spectruminnovation.com/InnovationPyramid.asp
[2] Source: Spectrum Innovation Group. Innovation Pyramid. [online]. 2010 [cit. 2010-02-15]. Available from WWW: http://www.spectruminnovation.com/InnovationPyramid.asp

A firm that reduces its resources for breakthrough innovation projects to zero raises its risk of being surpassed by more innovative firms. It's a sign of market maturity or corporate complacency.

A firm should allocate its resources to innovation levels in a ratio that matches its corporate objectives, risk tolerance, and management motivation.[1]

The Classic Traps of Process

Tight controls usually strangle innovation. The planning, budgeting, and reviews applied to existing businesses might squeeze the life out of an innovation effort. Important is that companies expect deviation from plan: If employees are rewarded for doing what they are committed to do, rather than acting as circumstances would suggest, it can be expected, that their employers will stifle and drive out innovation.

The Classic Traps of Structure

Besides loosening formal control, companies should tighten interpersonal connections between innovation effort and the rest of the business. Innovations which are game changing often cut across established channels or combine elements of existing capacity in new ways.

The Classic Traps of Skills

Even the most technical innovations require strong leaders with great relationship and also communication skills. Members of successful innovation teams tend to stick together through the development of an idea. This happens even if the company's approach to career timing requires faster job rotation. Innovations need connectors. That's why people who know how to find partners in the mainstream business or outside world are working great in cultures that encourage collaboration.

Innovation Remedies for Classic Traps:

Strategy remedy: Widen the search, broaden the scope.

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[1] Spectrum Innovation Group. Innovation Pyramid. [online]. 2010 [cit. 2010-02-15]. Available from WWW: <http://www.spectruminnovation.com/InnovationPyramid.asp>

A culture of innovation grows because everyone can play.

Process remedy: Add flexibility to planning and control systems.

Reserving pools of special funds for unexpected opportunities can encourage innovation outside the normal planning cycle. This way, promising ideas won't have to wait for next budget cycle, and innovators won't have the trouble to search for funds from mainstream managers who are measured on current revenues and profits.

Structure remedy: Facilitate close connections between innovators and mainstream businesses.

Companies should tighten the human connections between those pursuing innovation efforts and other throughout the rest of the business. Productive conversations should take place regularly between innovators and mainstream business managers.[1]

Skills remedy: Select for leadership and interpersonal skills, and surround innovators with a supportive culture of collaboration.

Those companies who cultivate leadership skills are more likely to net successful innovations.

1.2. Idea Management

Innovation is all about ideas. Idea management is a part of innovation management as the following figure (Fig. 1.2.) shows.

[1] KANTER, R. M. Innovation: The Classic Traps. Harvard Business Review, November 2006. p82

Fig. 1.2. Idea Management as Part of Innovation Management[1]

According to IBM Global CEO Study 2006 were compared most significant sources of innovative ideas (Fig. 1.3.).

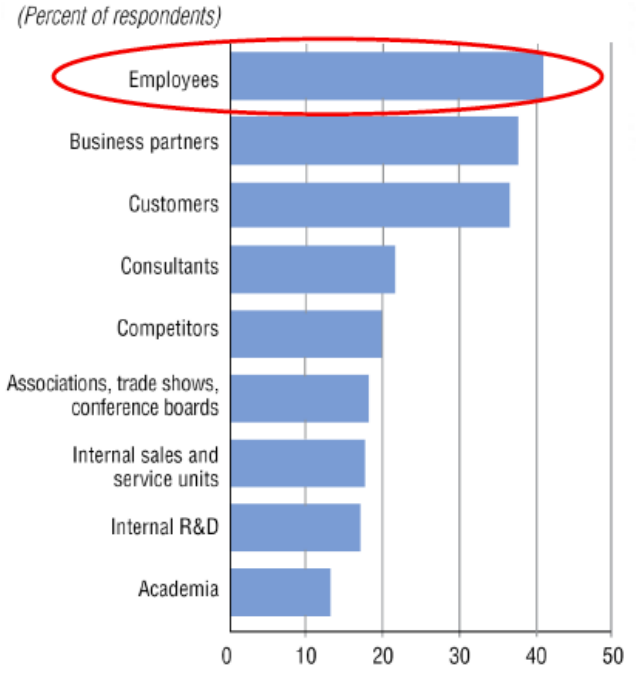

Fig. 1.3. Most Significant Sources of Innovative Ideas[1]

[1] Source: Itonics GmbH. Innovation Platform. [online] 2009 [cit. 2009-12-27]. Available from WWW: <http://www.itonics.de/en/solutions/innovationmanagement/innovationsmanagement.html>

The importance of integrating employees in the process of innovation is obvious. The objective of idea management is to motivate employees to participate on innovation initiatives and generate valuable output.

1.2.1. Structured Idea Generation and Management

Structured idea generation and management can significantly increase the volume of high-quality ideas for future programs.

To provide customers with creative energy management programs in an increasingly demanding market takes more than luck. Lacking a rigorous approach to idea generation utilities often end up with too few program ideas. At the other extreme companies with too many ideas are clogging the development pipeline for months.

Best performers apply structures and repeatable idea management techniques that avoid these pitfalls. They regularly facilitate idea-brainstorming sessions, screen new ideas using explicit criteria and prioritize the top candidates for development by analyzing their risk/reward and strategic fit tradeoffs. While brainstorming new ideas, these companies often find the most innovative solutions at the intersection of diverse viewpoints.

Rigorous program and product development

Historically, utilities have developed new programs and products using ad hoc processes. Today's top performers apply a structured innovation process with discipline and flexibility to gain better control over their idea-to-launch cycle and to accelerate products to market.

To build better products faster and cheaper, service innovation leaders use a common approach that includes:

- Innovation processes with logical phases, steps and defined exit requirements.

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[1] Source: Itonics GmbH. Innovation Platform. [online] 2009 [cit. 2009-12-27]. Available from WWW: <http://www.itonics.de/en/solutions/innovationmanagement/innovationsmanagement.html>

- Cross-functional core teams to guide each idea through the phase-gate process to market.
- Structured decision-making to guide core team activities within each development phase.
- Cross-functional project governance to ensure that projects are on track and on budget.
- A relentless focus on customer needs from idea generation to post-launch market assessment.

The best practices in innovation management won't help unless they are widely accepted by the organization. In the utility industry, common barriers include a regulatory-driven mindset and a culture that often constrains the ability of employees to innovate. Innovation begins with determined leadership from the CEO and is bolstered by a system of incentives and metrics, along with an active communication program that celebrates successes and learns from failures. Comparing performance with other utilities, as well as other service-oriented industries, helps companies set the right benchmarks.[1]

1.2.2. Key Success Factors for Idea Management Process

Some prerequisites for the formal idea management process to take off and show results could be as follow. The responsibility for ensuring that the process runs smoothly lies mainly with the Program Management Office (PMO).

Sponsorship: There needs to be buy-in by the top management, who must believe in the effectiveness of this process. The Sponsor needs to drive the program and encourage participation. The Program Management Office should also maintain a constant communication with the Sponsor for any changes and feedback.

Strong ownership: PMO can be comprised of either part-time or full-time members. They should understand the objective and importance of the program

[1] KAR, S; TAYLOR, L. Capturing the Value of Innovation. ElectricLight&Power, September-October 2008. p.54-55

and take ownership of this. This gives the program a strong foundation and also helps the process to evolve with the needs of the organization.

Culture of openness: There should be a strong culture in the company that enables and motivates employees to actively participate in the growth of the company. It should foster innovation and encourage diversity of opinions. There should be an attitude of „tolerance of failure“, which helps to promote creativity without mind-blocks.

Defined Process: The processes should be defined and planned for execution, well in advance. This would focus on the domain or boundary of ideas sought, the criteria to be used in the filtering mechanism, the levels of elimination, the approximate timelines involved and the like. This gives the organization a bird’s eye view of what to expect over the year and what forums are available for what kinds of ideas.

Objectivity and Transparency: All processes and criteria must be well defined and published. It is vital to have an objective and transparent system for evaluation. This provides an assurance to the participants that they are all treated equally. The process should also provide for an audit trail.

Inbuilt Flexibility: While timelines and templates are important and help to define a process, some flexibility is required.

Constant Communication: PMO must act as the liaison between the sponsors and the participants and ensure a smooth and constant flow of communications. The objectives, requirements, deadlines, templates should be explained to all participants. There need to be a closed loop to provide and receive feedback. Progress updates and success stories should be communicated to the larger, non-participating audience, as this serves as an important brand-building exercise, and enhances mindshare.

Employee Enablement: At any time, there would be a sizeable number of first-time participants. Therefore, the PMO needs to enable them and teach them the ropes. Such enablers can be in the form of workshops, sharing knowledge base, providing FAQ-sets and a help-desk. Mentors can be assigned to the participants.

Rewards and Recognition: In order to encourage employee participation, it is necessary to reward the contribution and creativity. Such rewards can be either a prize, monetary or in kind, or as a factor in performance appraisals or enhanced visibility. For instance, these proposing the winning ideas can be given the opportunity to lead or at least participate in taking the initiative forward.[1]

1.3. Human Resources

Nowadays only the one, who is able to manage needs of customers in an optimal time and place together with providing a comprehensive services on a turnkey, can succeed[2].

It provides an intelligent production connected with the knowledge development, finding and identifying innovative solutions, thus building a corporate intelligence. This is the core intellectual capital of a company, the ability to share and develop broad business thinking, permanent learning, knowledge management, team solving and decision-making space for invention and development of the spirit of the company, synergistic management, allowing employees potential for the company's and their own development.

The most important source is people, highly motivated and energized employees with needed knowledge that are ready for action and the best working with their own passion.

While the importance of innovation is fairly well understood, organizations need to better understand the sources of innovation. One key but often-overlooked source is the company's employee base.

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[1] GOYAL, A; SAMPATH, K. Institutionalizing Innovation: Look to employees for the next great idea. Ivey Business Journal, November-December 2007

[2] BARTÁK, J. Od znalostí k inovacím: tvorba, rozvíjení a využívání znalostí v organizacích. Praha: Alfa Nakladatelství, 2008. 190s. ISBN 978-80-87197-03-5

1.3.1. Framework for Companies

Framework for Companies to Implement a Formal Approach for Mining and Managing Ideas from Employees at All Levels[1]

The demand for talent today stems from one well-acknowledged fact – that employees are a company's significant competitive advantage. This is especially true for service-sector companies, more for those in the knowledge economy.

The reality today is that a good idea can come from anywhere in the organization.

While this is true, it is also true that a company cannot afford to give equal importance to each and every idea. Thus, the challenge lies in filtering out relevant ideas in terms of their viability. Such a validation requires questioning such as:

Is there a valid business case?

What are the various risks associated with a particular idea?

What sort of investments does it require – in terms of resources, capital, etc?

Is the idea practical?

Is it in line with the organization's broader goals?

The process should be decentralized and those proposing the idea should be enabled to do this validation themselves. Besides validation, an idea should be mentored. Also, a good idea must become larger than the person and continue to be relevant even when the initiators have moved on or are otherwise engaged.

In addition to this, employees may have ideas that need to be actualized and nurtured. Therefore, for the purpose of capturing ideas, validation them and for their management, companies need to follow a formal process.

This process should be institutionalized in such a way that it harnesses the collective power of ideas in an efficient, transparent manner, which encourages employees to generate new ideas for growth and development.

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[1] GOYAL, A; SAMPATH, K. Institutionalizing Innovation: Look to employees for the next great idea. Ivey Business Journal, November-December 2007

There are many ways of implementing such a process. This would depend on the organization's prevailing culture and the extent of change management required.[1]

1.3.2. Motivation and Creativity

In a recent survey were invited more than 600 managers from dozens of companies to rank the impact on employee motivation and emotions of five workplace factors commonly considered significant: recognition, incentives, interpersonal support, support for making progress, and clear goals. Recognition for a good work either private or public came out as number one. Unfortunately it was proved, those managers were wrong. After completing a multiyear study tracking the day-to-day activities, emotions, and motivation levels of hundreds of knowledge workers in a wide variety of settings, it is known now what the top motivator of performance is. Amazingly it is the factor that those survey participants ranked dead last. It is progress.

Making progress in one's work – even incremental progress – is more frequently associated with positive emotions and high motivation than any other workday event. For example it was noted on 76% of people's best days, when their reported moods were most buoyant, and on only 35% of their worst.[2]

The key to motivation is largely in control of the managers of people. It doesn't depend on carefully worked out incentive system. Managers have powerful influence on events that facilitate or destroy progress. They are able to provide meaningful goals, resources, and encouragement. Or they could also fail to do so.

It is advised to scrupulously avoid impeding progress by changing goals autocratically, being indecisive, or holding up resources.

The perception and also the reality of progress can be proactively created. High – ranking managers should take great care to clarify overall goals and ensure that

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[1] GOYAL, A; SAMPATH, K. Institutionalizing Innovation: Look to employees for the next great idea. Ivey Business Journal, November-December 2007

[2] AMABILE, T. M; KRAMER, S. J. Break-Through Ideas for 2010 – What Really Motivates Workers. Harvard Business Review, January-February 2010. No 41

people's efforts are properly supported. A culture of helpfulness should be cultivated.

Recognition does indeed motivate workers and lift their moods. But there won't be anything to recognize if people weren't genuinely mobbing forward – as a practical matter, recognition can't happen every day. It could, however, be seen that progress happens every day.

1.3.3. Culture Differences

People tend to have a human instinct that all people are the same – but they are not. Human beings in different cultures behave differently. This could be seen especially on those who work in an international business environment.

Prof. Geert Hofstede, Maastricht University and his research gives an insight into other cultures. The aim is to provide people with awareness in order to make them more effective when interacting with people in other countries. If understood and applied properly, this information should reduce level of frustration, anxiety, and concern.[1]

Five Cultural Dimensions

Power Distance Index (PDI) that is the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally. This represents inequality, but defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Power and inequality, of course, are extremely fundamental facts of any society and anybody with some international experience will be aware that 'all societies are unequal, but some are more unequal than others'.

Individualism (IDV) on the one side versus its opposite, collectivism, that is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone

[1] Geert Hofstede. Cultural Dimensions. [online] 1967-2009 [cit. 2010-02-20]. Available from WWW: <http://www.geert-hofstede.com/>

is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) that continue protecting them in exchange for unquestioning loyalty. The word 'collectivism' in this sense has no political meaning: it refers to the group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

Masculinity (MAS) versus its opposite, femininity refers to the distribution of roles between the genders, which is another fundamental issue for any society to which a range of solutions are found. The IBM studies revealed that (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called 'masculine' and the modest, caring pole 'feminine'. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values.

Uncertainty Avoidance Index (UAI) deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth; 'there can only be one Truth and we have it'. People in uncertainty avoiding countries are also more emotional, and motivated by inner nervous energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions.

Long-Term Orientation (LTO) versus short-term orientation: this fifth dimension was found in a study among students in 23 countries around the world, using a questionnaire designed by Chinese scholars It can be said to deal with Virtue regardless of Truth. Values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'. Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher who lived around 500 B.C however, the dimension also applies to countries without a Confucian heritage.[1]

1.4. Methodology

Methodology describes how were used the data collected and also the procedures that are going to be used in this thesis and also why.

1.4.1. Data Gathering Procedures

All the data used for the practical part of this thesis were gained either from Deutsche Post DHL, IT Services itself or from company‘s public web servers.

Several personal meetings with person initiating this topic of interest and also with people involved into 4 analyzed processes[2] took place in Germany at IT Services Europe, Bonn during October 2009 and February 2010.

During the meetings there were used techniques of discussions, interviews, phone conferences, e-mail questionings and data collections. There were 8 people who are closely engaged to take care of processes of INNOVATE, ITS Green and ITS Process Management. They were finally questioned by a specific questionnaire in order to make programs‘ benefits more structured for analyzing[3]. Also programs’

[1] Geert Hofstede. Cultural Dimensions. [online] 1967-2009 [cit. 2010-02-20]. Available from WWW: <http://www.geert-hofstede.com/>
[2] Smart Idea, Innovate, ITS Green and ITS Process Management
[3] The questionaires are enclosed in Appendix

functions, explanation and common behaviour were mostly presented by practical examples on a working field in IT Services.

Besides this a special personal account and notebook for an internal employee was created in order to have access to Deutsche Post DHL intranet as well as IT Services Intranet. This helped a lot to review how the processes are working and how they are presented to the target people and ensured access to company's internal data used for this thesis too.

Related specific monographs and Harvard Business Reviews were at the disposal for the thesis usage at IT Services.

1.4.2. Data Analysis and Proposal Procedures

The gathered data and information are going to result in brief overview coherent to the investigated topic. Further, the data are going to be examined using SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis and descriptive evaluation that should create the best background for further proposals and suggestions.

Last chapter is going to use experimental design to characterize recommendations and suggestions. Scenario proposals are going to be used to determine the opportunities sequent the predefined analyses in order to present possible solutions for the examined topic.

2. ANALYTICAL PART

Second chapter describes Deutsche Post DHL, its core business and structure. There are analyses of four channels for submitting ideas that have been implemented and that has been working among IT Services.

2.1. Company Introduction

This part is an introduction to a company, its key information and structure. Global business service unit that is target area of this research is described in more details in order to have overview of the scope and necessary knowledge about the analysed section.

2.1.1. Deutsche Post DHL

Deutsche Post DHL[1] (DP DHL) is the global leader in many sectors of the logistic industry with a unique portfolio of products and services. It consists of a German mail, Airfreight, Ocean freight, International express, Contract logistics, European road freight, Document management outsourcing and International mail.

Altogether DP DHL is a truly global with locations in 220 countries and territories. It touches ca. 5% of the global trade volume. DP DHL employs more than 500 000 employees, which places the organization to one of the top 10 biggest employers worldwide. Every hour there are managed more than 1 million of customer interactions.

The company is based on 2 pillars that create corporate Structure. It is Deutsche Post as Die Post für Deutschland and DHL as The Logistics company for the World (Fig. 2.1.).

[1] The Facts and Figures of DP DHL - in appendix

Fig. 2.1. Deutsche Post DHL - Two Pillar Corporate Structure[1]

2.1.2. IT Services

IT Services[2] is one of the largest service lines of the Global Business Services (GBS) division (Fig. 2.2.). It consists of more than 5 000 people serving the business units of Deutsche Post DHL across Europe, America and Asia-Pacific.

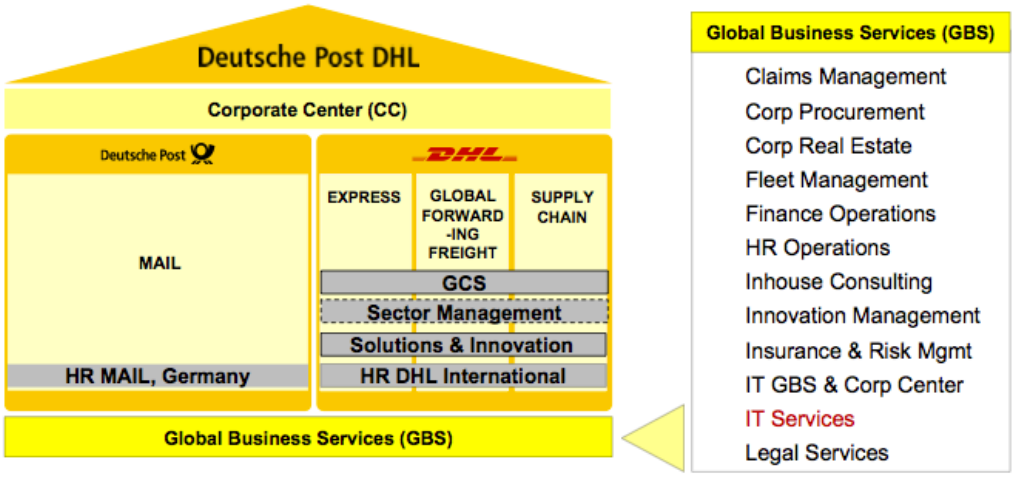

Fig. 2.2. Deutsche Post DHL – Business Units – GBS[3]

[1] Source: DP DHL intranet
[2] IT Services Overview – in appendix
[3] Source: DP DHL intranet

Organizational structure of IT Services Management Board is lead by Managing Director IT Services. Three Professional Services covering together Express, Supply Chain, DGF, Freight and Mail & GBS follow this position. Besides these there are Production Services, Resource Centre, Support Services and Change Programs. All these departments are connected to Human Resource, Legal and Finance departments. A specific position is Strategy & Planning (Fig. 2.3.).[1]

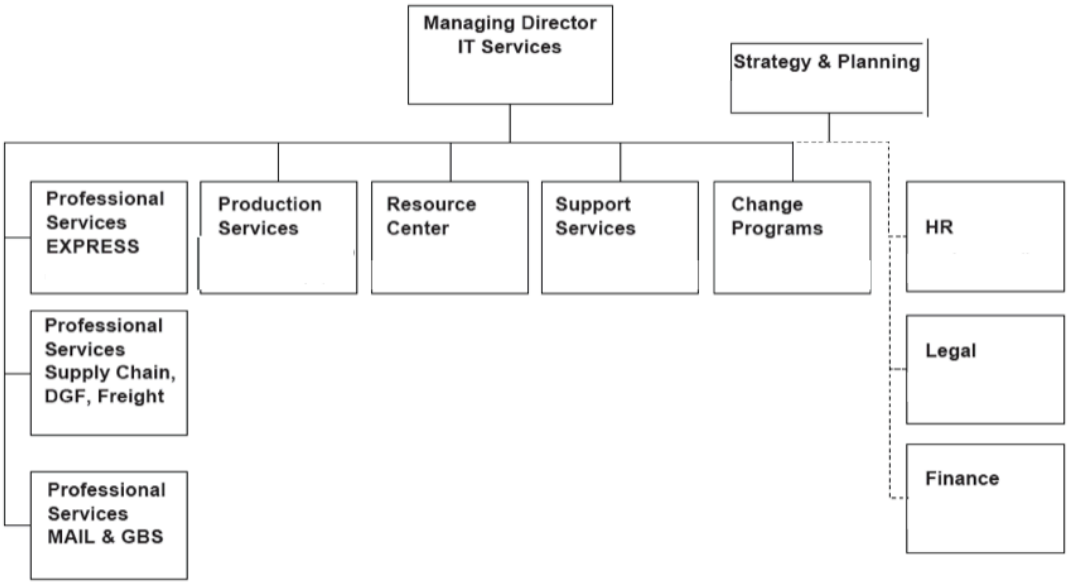

Fig. 2.3. Organizational Structure of IT Services[2]

As a global logistics group, Deutsche Post DHL increasingly relies on modern IT solutions. Integrated applications and high-performance systems are important prerequisites for success in the worldwide logistics market with its unique growth potentials.

IT Services is a key competitive factor for the Group. A top-performing IT organization is the backbone of the Group's business. It enables customers to interface with the business units anytime and anywhere.

Following the company's IT split into Demand and Supply, IT Services is a single professional Supply Organization that aims at offering Build[3] (development), Run

[1] Full Main Organization Structure of IT Services Management Board – in appendix
[2] Source: adjusted IT Services internal documentation
[3] For more in details see appendix: IT Services Overview - Profile

(operation) and Integration IT services to the business units of the Deutsche Post DHL. It strives for best-in-class services in terms of cost, quality and time-to-market. The aim is to increase IT efficiency, leverage a world-class infrastructure, provide transparent and defined services globally and support global expansion.

In IT Services, 4 channels were launched in the field of ideas and innovation. It is: Smart Idea, INNOVATE, ITS Green and ITS Process Management.

All above-mentioned channels are analyzed one by one to identify current reality and key facts having impact on its efficiency in praxis.

2.2. INNOVATE

INNOVATE fosters a climate of employee driven innovations that enrich the product and service offering and support the business partners.

INNOVATE defines innovation as improvements through the introduction of something new, change creating new dimensions of performance and creative ideas that are realized.

Innovation Management is supposed to help IT Services to strengthen its market position, win new customers, increase its market share, differentiate from its competitors, reduce cost and increase service quality and become “First Choice” for IT Services’ customers worldwide.

2.2.1. The Scope of Innovation

INNOVATE defines Innovation as:

- Improvements through the introduction of something new.
- Change creating new dimensions of performance.
- Creative ideas that are realized.

In scope innovation - reduce costs of services; improve the quality of services and result in new services.

Out of scope innovations - do not add any value to DP DHL and its customers; are not IT or Business Process related.[1]

2.2.2. Communication Channels

Communication channels through which INNOVATE was recognized are newsletters, plasma screens, posters, intranet and iShare. As for newsletters it is:

- Inside IT Services, the newsletter of Global IT Services.
- Weekly Bulletin sent to all IT Services employees.
- IT Services Asia Pacific News, the newsletter of IT Services Asia Pacific.
- IT Services Americas, the newsletter of IT Services Americas.
- Let's talk about IT, the newsletter of IT Services for our Business Partners.
- Cyber News, the newsletter of IT Services Asia Pacific for our Business Partners in Asia.

According to an online survey weekly Bulletin is identified as a main source of people's awareness about the program.

2.2.3. Creativity Workshops

Since June 2008, INNOVATE organized its own creativity workshops with the aim of building a climate for innovation and encouraging IT Services employees to explore their creativity and submit or share their ideas. In this one–day workshop organized in an inspiring and informal environment outside the office, participants learnt useful creativity techniques such as "out–of–the–box" methodologies, new perspectives on business creativity, and how to generate ideas and make them a reality. During that day, the participants already used those techniques to generate ideas.

According to Inside IT Services report from January 2009, 17 workshops had been organized locally in Bonn - Germany, Prague – Czech Republic and Cyberjaya - Malaysia and another session were planned next months in Bonn. In total about

[1] Source: IT Services internal documentation

340 employees had attended the workshops. In 2009 there were only one workshop in Germany and three in Prague.

The workshops' focus was primarily on quantity rather than on quality in order to foster creative spirit among participants. Therefore many ideas were gained with the fact that many were out of the INNOVATE scope[1].

Generally INNOVATE creativity workshops have been a great success, with positive feedback coming from the participants.

2.2.4. Idea of the Month

Idea contest was organized every month. In the end of each month all ideas were evaluated by INNOVATE assessment team. This team consist of six people who are responsible for first screening and evaluating of employees contributions. All idea submitters received a give away. The employee who had the best idea won and got a gift (of ca. 200€ value) and received a certificate.

2.2.5. Think Tank Session

It is a brainstorming workshop that gathers creative minds together with the aim of generation innovative and actionable ideas in a specific topic. To product valuable results, participants simply need to be creatively open, able to listen to other ideas and think out of the box. A Think Tank group is composed of a diverse range of participants from all disciplines. Moreover, Business Partners and third parties can join the brainstorming discussion. These workshops has produces a wide range of ideas around the scope of the predefined topic. These contributions are then evaluated by the Innovate Assessment Team and follow the Innovation management process[2].

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[1] In scope innovation - reduce costs of services; improve the quality of services and result in new services
Out of scope innovations - do not add any value to DP DHL and its customers; are not IT or Business Process related

[2] Innovation Management Process schema – in appendix

2.2.6. DP DHL Thinker's Club

It is a community derived from DP DHL initiative. Its objective is to create a climate of innovation by bringing people together with creative mindsets.

One can become a member when submitting an idea which is awarded or by participating in one of the INNOVATE creativity workshops.

The INNOVATE team attended an annual DP DHL Thinker's Club conference in November 2008. Over 300 colleagues from all over the world met in Berlin. This event represented an opportunity to "build a bridge" with other managers. As every year, there were selected two candidates among all idea submitters from INNOVATE. These two idea submitters were sent to a Thinker's Club conference.

2.2.7. iShare Platform

iShare[1] is an INNOVATE forum of IT Services. Everyone in IT Services can participate in all discussions, post a question about innovation, complete surveys, find links to INNOVATE intranet homepage and platform, get access to the latest news about the program and download available documentation.

2.2.8. Intranet Homepage

Content of the homepage is presentation of the INNOVATE team and the Innovation Committee. This committee has also access to the iShare page. Than on intranet homepage there is also access to an online idea submission form, success stories, latest news, templates and quick links. The intranet homepage is mainly for marketing purposes.

[1] iShare printscreen of homepage – in appendix

2.2.9. IT Services Innovation Award

Global IT Services elects the employee of the year for different categories. One of those is „Global Employee Award for Excellence in Business Innovation". This award shows strong customer orientation, increases positive publicity of DP DHL, identifies markets that can drive revenue and inspires others to be innovative and to never abandon an idea.

2.2.10. Analysis of Results Achieved and Evaluation

INNOVATE has been launched in Spring 2007 from top down meaning first the program itself and than the platform. Implementation took ca. three months. INNOVATE has been working by itself. Customers, where it's meant IT Services employees, are submitting ideas online through internal portal called iShare[1]. Six other people are responsible for first screening and passing ideas to an appropriate expert they find within the company and who can also be the line manager[2] – the superior of the employee[3]. Due to communication difficulties and delays or no feedback at all, many ideas stop here. It could be seen the generic mindset of the whole activity was not understood the way it would work efficiency.

The most ideas were generated in year 2008 (Fig. 2.4.). It was 867, which is much more than 49 in a launching year 2007 and also last year, where only 142 ideas were obtained. Totally there were 1 058 ideas generated in INNOVATE.

[1] iShare portal printscreen – in appendix
[2] Person who heads revenue generating departments (manufacturing and selling) and is responsible for achieving an the organization's main objectives by executing functions such as policy making, target setting, decision making
[3] Innovation from Ideas to Business schema – in appendix

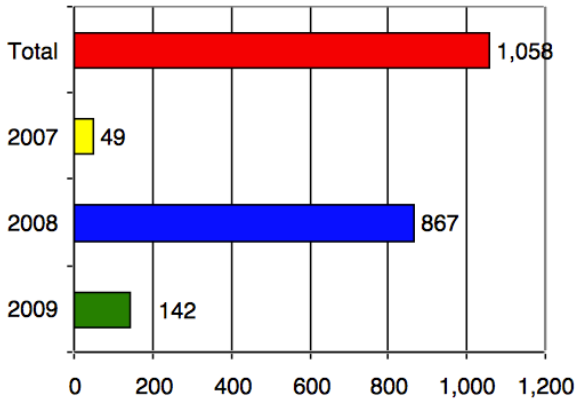

Fig. 2.4. Total Ideas Submitted 2007 to 2009[1]

Out of 142 ideas generated last year, 1 was gained in ITS America[2], 8 in ITS Asia-Pacific and 133 in ITS Europe.

Out of the 1058 ideas, in the end of 2009 there were following decisions made as the table below shows (Tab. 2.1.).

Decision	Number
Go	128
No Go	559
Forwarded	124
Being Evaluated	247
Total	**1058**

Tab. 2.1. Ideas Status 2007 to 2009[3]

12% of whole ideas submitted have been already implemented and more than 50% haven't been realized. 35% of submitted ideas are being evaluated and forwarded up to the end of 2009 (Fig. 2.5.).

[1] Source: IT Services internal documentation
[2] This Business Unit has been in consolidation since 2009
[3] Source: IT Services internal documentation

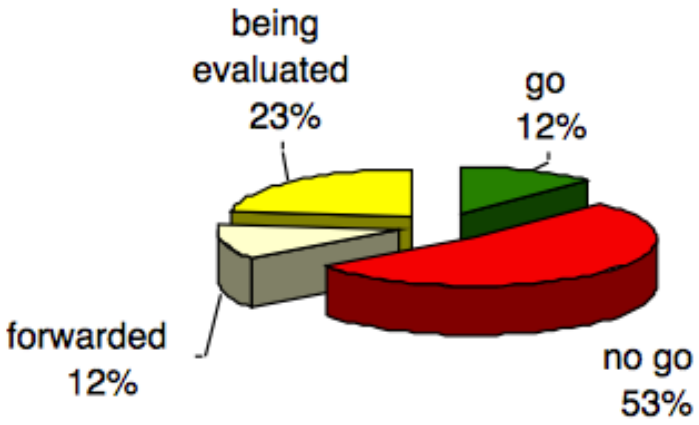

Fig. 2.5. Idea Status 2007 to 2009[1]

This channel did not reach many people who are considered to be potentially those who should have good ideas. This is e.g. about production services, resort centre and professional services people. There is lack of communication with them as they were practically not able to join workshops.

Up to people who have great experiences with INNOVATE, there is lack of process transparency for the submitters, which is seen as crucial in order to motivate submitters and bring ideas to final implementation in case of good idea.

The whole market INNOVATE operates on is internal – all submitters and people who have access to it are within DP DHL. Therefore a lack of market survival behaviour, forcing innovative ideas and pushing departments' activities forward, was recognized.

Innovate is feasible technical wise and security wise.

INNOVATE had and interaction with ITS Green, another channel for idea generation described on following pages. There was an added button for submitting ITS Green ideas integrated to the iShare INNOVATE platform during it was active.

Right now the whole system is practically not active due to no budget.

[1] Source: IT Services internal documentation

2.2.11. INNOVATE SWOT Analysis

Up to above described situations and interviews with people who had been working with the program and also couple of employees who had submitted ideas, an INNOVATE SWOT analysis was created (Tab. 2.2.).

Strengths	Weaknesses
New, exciting interface welcomed. iShare platform usage. Results of creativity workshops. Publishing best idea of a month. Attractive prices for evaluated ideas. INNOVATE is technically and security wise feasible.	Lack of manpower working for INNOVATE. Lack of line manager support. Not optimal group of employees was reached. Lack of process transparency. No budget anymore. Lack of feedback on evaluation leading to disappointed submitters.
Opportunities	**Threats**
Get a suitable on amount and time funding and support from top management for INNOVATE. Involve people with commitment. Involve broader range of people who might have good ideas. Increase transparency for submitters. Foster departments' competition. Improve program's marketing. Motivate target group of employees (experienced employees). Run catchy promotion. Interaction with ITS Green worked out, could be reached also with other channels. Bring innovation as a part of global culture mindset.	No budget => no results. There are only very few ideas coming from Malaysia's business unit. If there is no follow up to this happening INNOVATE would stay only within Germany and Czech Republic. Considering idea management as cutting cost edge after global finance crisis and DP DHL cost cutting forces. Lack of Maturity level of openness to ideas of others.

Tab. 2.2. INNOVATE SWOT Analysis[1]

[1] Source: own source

2.3. Smart Idea

Smart Idea[1] is a program for all kind of proposals and it's a product of Idea Management. Idea Management is a management tool, belongs to Corporate Center (Fig. 2.2.) and works in Deutsche Post for about four years. As Deutsche Post is operating in Germany, Smart Idea is practically working only in Germany as well. This doesn't cover the worldwide scope of IT Services business units.

Employees themselves decide how their ideas are going to be treated. Ideas already equipped with a savings calculation are assessed in a Big Proposal Circle, with a bonus for introduction. Ideas without savings calculation are assessed in a Small Proposal Circle; proponents are entered into a drawing.

A submitted idea goes to a superior employee – a line manager who has 3 choices:

- Like and implement.
- Don't like and reject.
- Need an expert.

The most used one is the last one. It could be estimated that this decision is also the easiest one to make for line managers, as they don't like to accept taking ownership of something they didn't come up with, they are not convinced about and they would have to spend time out of their working time. There are two people partly involved in searching for the right expert than. This part in the process is not efficient.

There is no promotion of Smart Idea.

INNOVATE was using Smart Idea platform first nine months and than changed for running it through iShare. There was a significant growth of submitted ideas on this new channel.

In an amount of 145 (2007), 118 (2008) and 65 (2009) ideas submitted it takes currently ca. 1/5 of the day to take care of Smart Idea tool to one person, which is a one full working day a week and a bit less to the second involved person.

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[1] in German - Smart Idee

Budget

There was budget of 10 000€ in 2007 and also in 2008 and 15 000€ in 2009 for vouchers in a reward system described below. There were no sources for resources such as idea managers, assessors, people who are implementing ideas etc.

Reward System

Each quarter of a year there is a raffle. Every submitter of an idea gets points. With these points every idea submitter has a chance to gain one of 250€ vouchers in the raffle. Small Proposal Circle is with vouchers of 250€. In the Big Proposal Circle the idea submitter can gain 10% out of savings of the new idea of the saved cost but max ca. 104 600€. This rewarding is done one year after the idea is successfully implemented. The statistic of the last years showed up there were only 20 submitters for all ideas. Yearly two best ideas and their submitters are chosen and the submitters become members of DP DHL Thinker's Club.

2.3.1. Analysis of Results Achieved and Evaluation

Given statistic data of past three years, following figures were found out (Tab. 2.3.).

Year	2007		2008		2009	
	Number	Percentage	Number	Percentage	Number	Percentage
All ideas submitted	145	100%	118	100%	65	100%
Submitted ideas – Small Circle	116	80%	98	83,05%	55	84,62%
Submitted ideas – Big Circle	29	20%	20	16,95%	10	15,38%
Ideas accepted	16	11,03%	9	7,63%	4	6,15%
Ideas declined	30	20,69%	20	16,95%	5	7,69%
The rest of ideas	99	68,28%	89	75,42%	56	86,15%
Submitters	69	5,75%	61	5,08%	26	2,17-3,25%
Employees of IT Services in Germany - estimated	1200	100%	1200	100%	800-1200	100%

Tab 2.3. Smart Idea – Analysis of Results[1]

[1] Source: IT Services internal data and Smart Idea performance - in appendix

First is seen a rapid decrease of submitted ideas in time. The ratio of Big Circle ideas to Small Circle ideas starts on 20%-80% in 2007 and ends on 15,38%-84,62% in 2009. There is more than 68,28% of ideas each year which weren't for some reason either accepted or declined. Number of ideas accepted and declined decreases very fast – from 11,03% and 20,69% in 2007 to 6,15% and 7,69% in 2009. This corresponds to a raise of number of unevaluated ideas. As a good sign it could be seen ratio of ideas declined which decreased from 20,69% in 2007 to only 7,69% in 2009.

Unfortunately there wasn't any clear amount of idea-implemented savings.

2.3.2. Smart Idea SWOT Analysis

This analysis (Tab. 2.4.) represents main points that people who work with it primarily shared during interviews, calls, practical examples and questionnaires.

Strengths	Weaknesses
Good ideas go online. Ideas that have been implemented are included in the Idea Management IT system, enabling deferred use throughout the Group.	Massive technical problems as system down times, faulty and incomplete backups, login problems, unpredictably lost ideas in the system.
Bountiful reward recognition system.	Not intuitive, guide of application handling for submitter and difficulties also for responsible who are tracking ideas in the system.
It connects large parts of DP DHL.	Over-complicated workflow behind.
Automatic capturing of KPI.	Lack of flexibility when submitting ideas.
	Long cycle time.
	Lack of transparency of the workflow behind Smart Idea.
	Reports are not customizable.
	Reports are not presenting data needed such as savings generated.
	No KPI about cycle time.
	Every submitted idea has to pass through a line manager.

Opportunities	Threats
Start following up with reports after estimating right key performance indicators.	Motivation of employees decreasing.

Tab. 2.4. Smart Idea SWOT Analysis[1]

It is an administrative demanding and over structured; not effective and old-fashioned; not transparent and without-trouble-not-working system for which it's highly unpopular over whole IT Services division.

2.4. ITS Process Management

An objective of ITS Process Management is to build a reputation for delivering predictable, high quality, cost effective ITS Services and to be the supplier of choice to customers.

The ITS Process describes the activities undertaken by IT Services in developing, deploying, and delivering solutions to the business. It is organized into 13 Summary Processes, which provide a high-level overview of the main phases of activity undertaken by IT Services.

Each Summary Process contains a number of Key Processes. A Key Process contains more detailed description of the process to be followed. It contains descriptions of activities and provides access to supporting documents, templates, and other information.

It is not intended that the ITS Process should be viewed as a sequential series of events.

ITS Process has this Key Performance Indicators (KPI):

- Number of Process Improvements each month.
  PI raised – Date logged in iShare.
- Number of Change Requests (Raised, Approved, Rejected) each month.
  CR Raised – Date Stamp as entered in CR Log.

[1] Source: own source

CR Rejected – Date Stamp as Rejected in CR Log.

- Number of Process Change Requests Implemented by Release.

  CR Implemented – Number of Change Requests implemented by Release.

CMMI (Capability Maturity Model Integration) is a process improvement approach that provides organizations with the essential elements of effective processes that ultimately improve their performance.[1]

ITS Process Management uses this approach. It has five maturity levels:

Initial – The software process is characterized as ad hoc and occasionally even chaotic. Few processes are defined, and success depends on individual effort.

Managed – Basic project management processes are established to track cost, schedule, and functionality. The necessary process discipline is in place to repeat earlier successes on projects with similar applications.

Defined – The software process for both management and engineering activities is documented, standardized, and integrated into a standard software process for the organization. All projects use an approved, tailored version of the organization's standard software process for developing and maintaining software.

Quantitatively Managed – Detailed measures of the software process and product quality are collected. Both the software process and products are quantitatively understood and controlled.

Optimizing – Continuous process improvement is enabled by quantitative feedback from the process and from piloting innovative ideas and technologies.[2]

ITS Process Management is on level 3 aiming to reach level 5.

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[1] Software Engineering Institute. Capability Maturity Model Integration. Carnegie Mellon University [online] 2010 [cit. 2010-04-01]. Available from WWW: <http://www.sei.cmu.edu/cmmi>

[2] Increasing your CMM level through automated tool implementation. Maturity level characteristics. [online] 15th May 2005 [cit. 2010-04-01]. Available from WWW: <http://www.ibm.com/developerworks/rational/library/may05/rose>

2.4.1. Analysis of Results Achieved and Evaluation

Seven people are tracking ITS Process channel, four in Prague and three in Germany.

Change Management was established in 2005 and together with Process Improvement as such has been working since 2008. Following table shows results achieved in this period (Tab. 2.5.).

Year	PI raised	CR raised	CR implemented
2005		158	118
2006		247	150
2007		297	170
2008	24	98	155
2009	137	79	75

Tab. 2.5. ITS Process KPI – Annual Comparison[1]

There were 137 process improvements raised last year and 79 change requests raised. As for change requests implementation, last year there was a decrease caused most likely by fewer amount of raised change requests of the previous year. Cycle time from submitting and idea until its implementation can be from 2 days to few months. As there have been many changes in the organization it was difficult to keep track on efficiency of this idea generation channel. The submitter is being informed about the status of idea in the system by email. There is clear Process Improvements and ITS Process Change Management process workflow[2] defined but there is no access in the system for submitters to evaluate ideas. Through iShare ideas of ITS Process Management are published. According to an interview with process improvement requestors, the amount of ideas is higher when there are special campaigns in run. Up to now there hasn't been any reward system implemented. Despite this fact the system is reaching a satisfactory amount of raised process improvements and change requests.

[1] Source: IT Services internal documentation
[2] ITS Process Management – Process Improvement & Change Workflow – in appendix

2.4.2. ITS Process Management SWOT Analysis

There are three people, who are actively involved in tracking this channel, interviewed and gave details up to which the following analysis could be completed (Tab. 2.6.).

Strengths	Weaknesses
Measuring five Key Performance Indicators. Good working process workflow. Improvements and Requests rose without significant promotion. Published on iShare.	No possibility for submitters to evaluate requests and improvements in the system. Many employees are not aware about how the system works.
Opportunities	**Threats**
Improving culture and proactive approach of employees to take ownership and raise improvements and requests. Possibility of getting funds from a Cost Centre. Campaigns would be welcome.	Service level management, project management are very old.

Tab. 2.6. ITS Process Management SWOT Analysis[1]

2.5. ITS Green

The ITS Green Initiative was established to enhance efforts to reduce organization's carbon footprint and to address concerns about environmental and social responsibility raised in a 2008 Employee Opinion Survey.

It has been run like a campaign – ITS GREEN Challenge. During 1st of June until 30th of October employees and their colleagues can participate by coming up with innovative green ideas. Than evaluation, implementation of ideas follows and reporting of the process flow.

Because two (or more) heads are always better than one, the ITS Green Committee is asking colleagues to organize themselves into a so-called **"action group"** or team of three to ten people, preferably made up of people from across several

[1] Source: own source

functional areas. Together they will brainstorm, develop, and submit their best proposals for how the organization can save costs and minimize its impact on the environment.

By working in teams, it is ensured that a final proposal is based on consensus, and that it can be practically applied across the organization.

Practical examples of implemented innovative ideas are published on company's intranet.

The action group's proposal doesn't have to be a work of technological genius to make an impact. It just has to make good sense, and has to meet two important criteria; contribute to a reduction in carbon emissions and lower costs.

ITS Green Committee offers to give direction in developing action group's ideas by sharing advices and that the ideas are in line with the goals of this initiative.

Ready innovative ideas for ITS GREEN Challenge are submitted through the IT Services INNOVATE Platform where there is a possibility to upload any documents related to the submission.

Once submitted, the ITS Green Assessment Committee reviews ideas. The Assessment Committee consists of 7 people: 3 as Operations CBJ (Malaysia), 3 as Facility & Office Management (Prague) and 2 as Communication Consultants (Prague). This group of experts assesses submissions to determine how effective it will be at reducing both costs and carbon emissions. Then it provides submitters with a final assessment within four weeks after the initial submission. Any comments made by the Assessment Committee during the evaluation process are posted on the platform's "Idea Feedback" section.

If the Assessment Committee gives to an idea a green light for development, the proposal is sent to the relevant functional area, which ultimately decides whether it is suitable for implementation or not. Submitters are informed, both via e-mail and via phone, whether their idea is given the "go-ahead" within six weeks.

Meanwhile, their group can track the status of the idea using the INNOVATE Platform's "Track Your Idea" feature.[1]

The ITS GREEN Challenge gives participants three opportunities to win.

- Monthly INNOVATE Contest

If an idea receives an initial "GO" from the ITS Green Assessment Committee, it will automatically be entered in the monthly INNOVATE contest. If it receives the most votes, all the members of the action group will receive a variety of prizes (e.g. t-shirts, coffee mugs, USB sticks, etc.).

- Prizes for GO Ideas

If an idea is chosen as a GO idea, the action group will receive a gift certificate worth 100€, which they can use as they wish.

- Grand Prize Contest

Finally, at the end of the ITS GREEN Challenge in October/November, both the ITS Green Assessment Committee and the ITSMB evaluate all implemented ideas. The action groups responsible for the most successful implemented ideas will receive one of several grand prizes, which supposed to be announced in the near future.

ITS Green News feeds are available in company's intranet.

2.5.1. Analysis of Results Achieved and Evaluation

ITS Green had been active for submitting ideas from 1st June 2009 until 30th October 2009. 56 out of 88 INNOVATE ideas were for ITS Green (Fig. 2.6.). There were 37 submitters.

[1] ITS GREEN – Challenge Process – in appendix

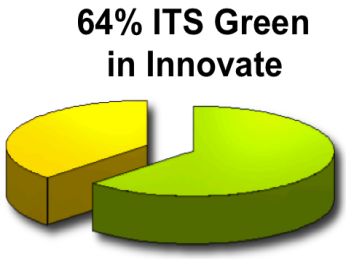

Fig 2.6. ITS Green in INNOVATE[1]

Out of the 56 green ideas there were few significant ideas. Many simple ideas supported significant changes as well. In total it could be seen the innovation was incremental.

The status of submitted ideas one month after closed ITS GREEN Challenge was as follow (Fig. 2.7.).

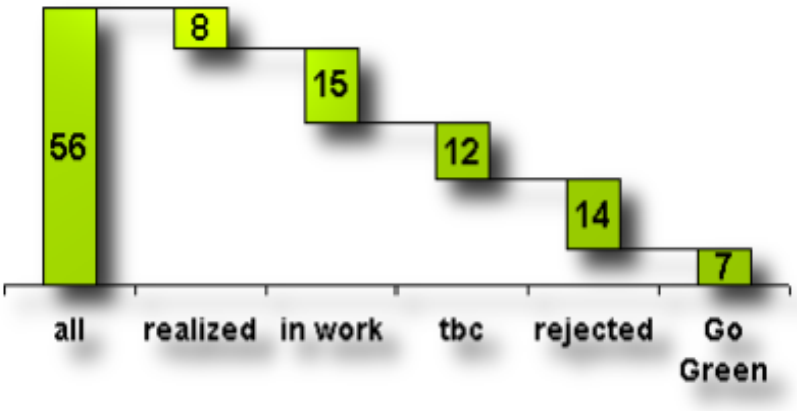

Fig 2.7. ITS Green – Implementation of Ideas[2]

Out of 56 ideas 8 had been already realized. 14 ideas were rejected which presents 25% of all submitted ideas. Main areas where suggestions had been already implemented were Facility & Office Management and Communication. To drive the initiative forward required high commitment from evaluation committee delegates.

Ideas are treated in Microsoft Excel. They are very good classified there.

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[1] Source: IT Services internal documentation
[2] Source: IT Services internal documentation

2.5.2. ITS Green SWOT Analysis

According to the description and above analyzed results following SWOT analysis was created (Tab. 2.7.).

Strengths	Weaknesses
Good case practices shared online. Possibility to brainstorm ideas by consensus of a team and ensure this way practical application in the company. This popular topic is catching attention of many employees taking care of the environment. Possibility to submit ideas as individual or as a group. "Tips for going green" section in intranet. Good promotion helped getting ideas. Efficient program regarding timeline.	There weren't identified any significant weaknesses.
Opportunities	**Threats**
To run more campaigns with clear scope and/or a time frame to engage employees and push incremental innovation. To work in waves of running opened program and 1-2 months of evaluation and than again always taking important changes and global happening into consideration.	Loosing commitment of engaged people.

Tab. 2.7. ITS Green SWOT Analysis[1]

ITS GREEN Challenge worked pretty well, raised in short time many ideas out of which many could also be implemented.

2.6. Summary of Evaluations

INNOVATE as a program is carefully worked out. Especially creativity workshops were very successful. Using iShare platform is satisfactory. The usage of INNOVATE is in all IT Services business units – Europe and Asia Pacific. When there was a budget and so advertisement and attractive prices for best submitters, the program was on its peak up to now. Despite this fact there were

[1] Source: own source

about 50% of rejected ideas. This program had already been successfully hosting ITS GREEN Challenge for 5 months. ITS Green is reacting on a global issue of reducing carbon footprint. The scope is worldwide, using strategy of active and inactive period for submitting ideas. There are action groups formatted bringing effective workflow to the process of implementation and therefore also success of this program. Smart Idea is coming from Idea Management of Corporate Center of DP DHL. The area of implementation is well developed covering wide range of employees but only in Germany. There is automatic capturing of KPI but there is no follow up on its information. The program works very inefficiently. ITS Process Management is implemented in Europe. It's managing many small ideas. There are exactly defined KPI. The process is not transparent for a submitter. It uses CMMI[1] approach.

There is no interface in between these four channels. There are four different possibilities where employees of IT Services are invited to come up with their ideas, four different channels are operated separately, four different promotions are run, different interfaces are used for the channels, and whole idea generating in IT Services became complicated, not united and not transparent.

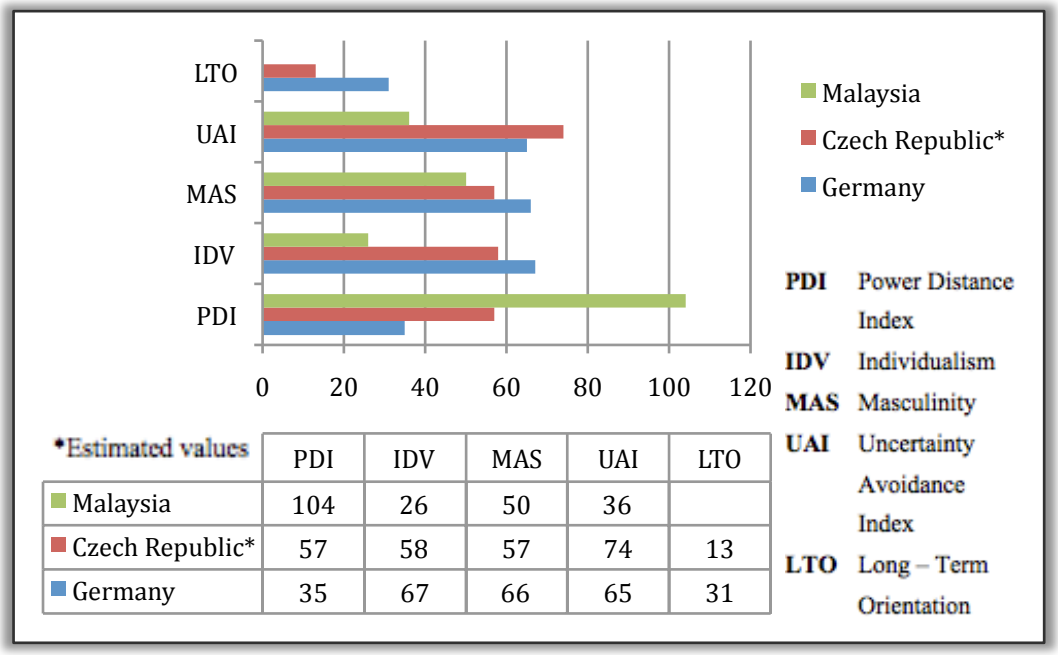
However, in the past there were many good ideas generated and implemented. And these ideas contributed to development of IT Services and its cost savings. The need of having platform for ideas is one of key aspects to grow within IT Services as such as well as foster creative minds and self-development of its employees.

2.7. Culture Differences within IT Services

This analysis is based on results of a Prof. Geert Hofstede, Maastricht University and his research about cultural differences (chapter 1.3.2.). IT Services has 3 main business units - Bonn in Germany, Prague in Czech Republic and Cyberjaya in Malaysia. Indexes of these three countries are compared to show culture

[1] CMMI (Capability Maturity Model Integration) is a process improvement approach that provides organizations with the essential elements of effective processes that ultimately improve their performance

differences there and to help analyze the impact they might have on the idea management of IT Services.



*Estimated values

	PDI	IDV	MAS	UAI	LTO
Malaysia	104	26	50	36	
Czech Republic*	57	58	57	74	13
Germany	35	67	66	65	31

Fig. 2.8. Five Dimensions Model of Cultural Differences[1]

The table and chart (Fig. 2.8.) show quite similar values when comparing indexes of Czech Republic and Germany. Both countries are geographically located in central Europe and are neighbours.

Long-term orientation is more than twice that strong in Germany than in Czech Republic culture. This should be taken into consideration when for example determining gifts for awards of reward system in idea management. The study shows possible slightly different preferences in between Prague and German submitters.

The indexes of uncertainty avoidance, masculinity and individualism in Germany and Czech Republic culture show very similar values.

However, power distance index of Czech Republic is higher than in Germany of more than 20 index points. Even more significant difference, and the biggest one

[1] Source: own sources with indexes from Geert Hofstede. Cultural Dimensions. [online] 1967-2009 [cit. 2010-02-20]. Available from WWW: <http://www.geert-hofstede.com/>

in this comparison, has at this point Malaysia. Power distance index (PDI) here is quite extreme having almost double of what is typical for its Europe counterparts. This level of PDI, that is the extent to which the less powerful members of organizations accept and expect that power is distributed unequally, fosters inequality in the culture of the country.

In Malaysia culture there is also the lowest index of individualism stating that people in society are more integrated into groups than in other countries. This should be considered in the idea-submitting channel. Malaysians will tend to submit ideas easier as a group of people than individuals. Also workshops should be modified to this direction and possible-brainstorming sessions should have bigger impact on quantity of gathered ideas than in Czech Republic or Germany.

Level of Masculinity is the lowest in Malaysia culture but not with that significant difference from the culture of European compared countries.

Another index that shows much lower values is the uncertainty avoidance index of Malaysia where people don't tend to express their emotions that much and are should be more tolerant of opinions different from what they are used to. Czechs and also Germans tend more to avoid uncertainty. It emphasizes the role of structure and rules. People in these cultures are also more emotional.

3. PROPOSALS AND SUGGESTIONS

In this chapter are proposed possible scenarios, a system of motivation and a reward system. Key performance indicators measuring the program for submitting ideas is suggested in this chapter as well. The chapter is closed by recommendations for next research.

3.1. Scenarios of Possibilities

Following scenarios could be solution used for the above-analyzed situation.

There is one key decision to be made first. IT Services can run idea management by them own or outsource the whole thing to an external specialist. Scenarios A and B are sketching out the possibility of outsourcing and the rest of scenarios are evaluating solution managed by IT Services.

3.1.1. Scenario A

Outsourcing to an external specialist who would start up a totally new platform of idea management for IT Services. There would be many great opportunities coming out of this solution but also for appropriate investment into it. If the system was well compiled and implemented, the benefits out of new ideas implemented over IT Services would exceed costs of investment.

3.1.2. Scenario B

Outsource out of IT Services using what DP DHL could offer. That would be cooperation with Idea Management of Corporate Center. Smart Idea run by them is not appropriate anymore and it could be estimated there will soon come new and fresh tool. A negative fact on such a tool could be a limited scope of an area of Germany as it was in case of Smart Idea. To adapt such system to DP DHL worldwide usage could be time consuming and/or never achieved. Therefore if to outsource to Idea Management, a special connection in between them and

IT Services would be needed so they could offer a tailored product to be implemented and run within IT Services successfully.

3.1.3. Scenario C

Out of analysis in points 2.2. 2.3. 2.4. and 2.5., platform of INNOVATE has a very good potential on its settings and worldwide scope for future use. Therefore this platform's features could partly be used also for ITS GREEN Challenge and ITS Process Management. Mutually merged channels would create one platform presented externally in IT Services.

New Name and Brand

It would be great to create a new name for such a channel.

"3i" is an option.

It would mean all 3 channels included starting by "I" – INNOVATE, ITS GREEN Challenge and ITS Process Management.

"i" is used also in "iShare" and employees would see a connection.

"3i" could be also used for motivation for "submitting 3i" as Ideas, Inputs and Improvements.

A brand around would have to be created in order to run a successful promotion of this activity.

There could be a campaign run for "What is your 3i?" to motivate each and every IT Services employee to submit at least 3 ideas, inputs or improvements to the system.

Merge of Already Existing Channels

3 bottoms under "3i" on iShare: INNOVATE, ITS GREEN Challenge and ITS Process Management.

Through the platform that INNOVATE has been using also ITS GREEN Challenge was run through an added bottom to iShare. It was very successful and there is great

potential to run more campaigns of this strategy and topic. This channel would be constantly active even if there wouldn't be currently run campaign. There would still be information about the process of submitted ideas.

Smart Idea for its inefficiency would be not used anymore by IT Services and INNOVATE would be the only channel for ideas submitted earlier for Smart Idea in IT Services.

ITS Process Management would be shifted to this platform with the possibility to be launched also in Cyberjaya as for now it's been active for Prague and Bonn. A new bottom for this tool would be added as the third one to iShare.

United Motivation System, Reward System and KPI

The merge of already existing channels is solving the chaotic situation of many channels now but not that much solving efficiency of each channel. Those by merging should be reviewed and reconstructed the way they could work over "3i" platform using united motivation system, reward system and Key Performance Indicators. Taking care of budget and promotion would be places here as well.

Tracking system could also be renewed to bring transparency for submitter and also for team of moderators.

There are many variations possible. It would depend mainly on the strategy, budget and manpower allowance. The more sources gained, the more united and effective system can be created.

Leaders and Teams

A new "3i" team would be needed. People would represent each channel and also Prague, Bonn and Cyberjaya.

The managing director of IT Services is recommended to become the sponsor of this program. The head of this idea generation channel could be either a person out of the top management of IT Services, a person responsible for strategy and planning of IT Services or a person from the administrative department that is interested in innovation and idea generation. If these people take great care to clarify overall goals and ensure that employees' effort is properly supported, it will

foster a positive climate of employees interest and motivation. Managers will also have close contact to great source of innovation for the whole division in a long-term scope.

There would be 3 leaders who would be responsible each for one channel, each having a team of ca. 6 people who would be moderating the channel and who the best would come from all three IT Services countries (Fig. 3.1.). One of them would be determined to be responsible for promotion, one for motivation system and one for reward system. The leader of each channel would then be responsible for KPI measures of the channel and budget care. The whole teams would be moderators of the processes within channels, making assessment of ideas and following up with the next steps. There are possible variations of the team structure up to the reality of each channel.

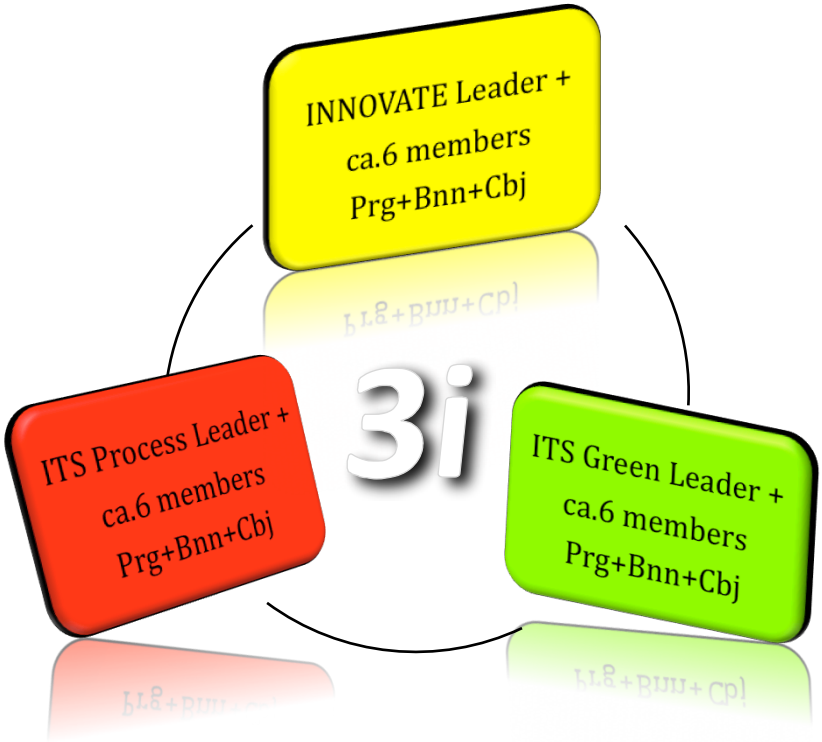


Fig. 3.1. Structure of the 3i team[1]

In such teams, there is recommended to have international trainees – it is a great opportunity to have a source of fresh energy, out of box thinking approach and unique ideas. An additional benefit would naturally come when working with

[1] Source: own source

enthusiastic trainees from Czech Republic, Germany and Malaysia cross-cultural, as they could follow up after their internship with IT Services of their home country.

3.1.4. Scenario D

To run an IT Services worldwide used program of managing ideas, that would bring this division of DP DHL forward, a brand new platform would be created. It would learn out of all until now working channels and establish a new fresh system, which would also mean a stepwise reduction of currently existing channels for idea generation.

This would mean a totally new approach building up the system from a ground zero. There would be needed a change leader, a person who has a knowledge of idea management, strategic management and has experience working for IT Services knowing the business environment. With a team of enthusiastic colleagues they would have to set up first a strategic plan covering goals of idea management of IT Services, its benefits and sources needed. As follow-ups would come brand creation, motivation system, reward system, promotion strategy and KPI determination. A tool for managing processes is one of important issues.

Platform's Name

As in the previous scenario, also here it could be used:

"3i" as an option.

"3i" could be used as motivation for "submitting 3i" ≈ Ideas, Inputs and Improvements.

There could be a campaign run for "What is your 3i?" to motivate each and every IT Services employee to submit at least 3 ideas, inputs or improvements to the system.

Transparency of the Process

The analysis of existing channels showed an importance of a transparent process for both - submitters and also moderators. The suggestion is to make whole process as public and transparent as possible. Therefore all ideas after submission would have a currently assigned status and there would be also information about who is now taking care of the following step.

In such a point it would be possible, besides the responsible person and moderator of the idea, for also submitter to be involved in the process. A discussion in the used platform would be possible in between moderator of the particular idea, involved managers who are deciding about the idea and also the submitter himself.

By involving submitters as much as possible into the process, it will foster employees' self-confidence on progress and work thus as a great source of motivation as well.

Ultimately it is expected the transparency, together with a good working simple tool used for it, would faster whole process of idea tracking and implementation time of good ideas.

Platform for Submitting Ideas

Such a platform has to offer a customer friendly and smart environment with a clear and transparent process motivating every employee to submit ideas.

It is very important to catch attention from the first access. News, interesting videos from idea world in and also out of IT Services, promotion of current campaigns and hints on topics where employees could have ideas shouldn't be missing. As side options usually on left part of a page it could look as follow example:

"I have a 3i to share!" – to enter place to submit ideas.

"Watch my ideas" – to track all his ideas submitted so far and contribute on them.

"3i WORLD" – page of all ideas

"Campaigns run" – info about past, current and future special campaigns in run.

"Motivation corner" – enters an area of opportunities as workshops, brainstorm sessions etc.

"Watch successful implementations" – pictures, videos and stories.

"What is 3i and who is behind" – to see the process structure and team of moderators working on it.

When entering place to submit ideas there could be a headline:

"What is your 3i? – share your Ideas, Inputs and Improvements

on things we can do better!"

When submitting an idea there should be:

Mandatory fields:
- Name your Idea
- Description

Obligatory fields:
- Category (menu of categories defined before)
- What are the figures behind your idea?
- Why does IT Services needs it?
- Who is going to be affected by this?
- Who might be the right contact?

There would be an automatic capturing of the Author, Time and Place. Also bottom that is allowing submitting ideas as a team should be there.

In the end a **"Thank you for your contribution**", already a **"Watch your 3i – have a look and see how we put your ideas into action"** and a **"What is your next 3i?"**

In the platform every employee would have his own account and through "Watch my ideas" he could see all his ides shared, the current stage in the process, possibility to contribute to a discussion with moderators and all involved people.

A "3i WORLD" would show all ideas tracked in following bookmark possibilities: "Most Popular", "New", "In progress" and "Implemented."

In these bookmarks ideas would be sorted in lines one above the other. There would be information like name of the idea, its description, current status of the idea in the process, the right to vote for or against the idea etc. (Fig. 3.2.). When click on the name of the idea a whole page just about the chosen idea would open with all information shared, full description, possibility to enter discussion about the idea and see who is currently responsible for making next step in the idea progress.

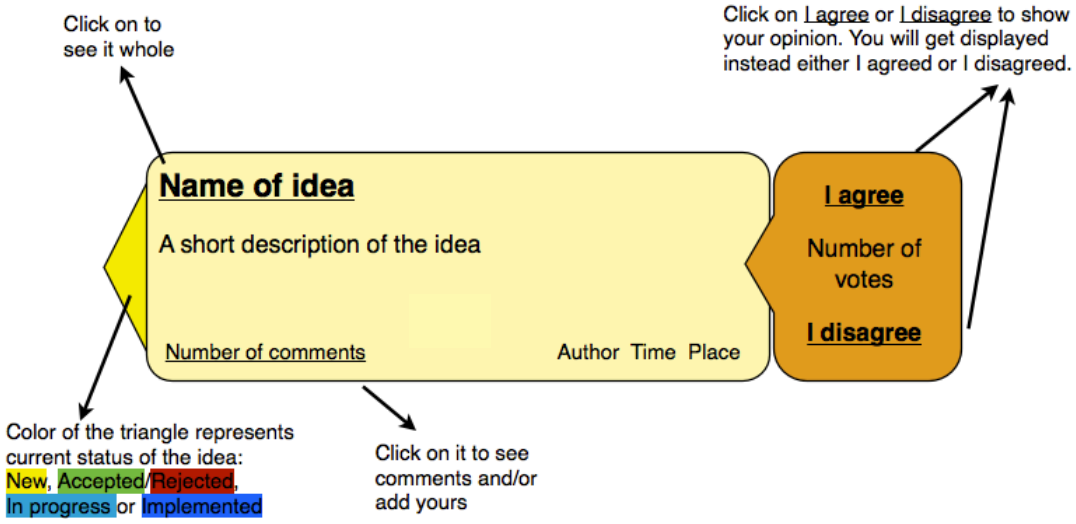


Fig 3.2. Information about Ideas[1]

3.1.5. Summary of Scenarios

There were four possible scenarios proposed. As long as there will be idea management interested people among IT Services, it's suggested to prefer scenarios C and D rather than A and B. Scenarios C and D represent internal solution and therefore a total interest and ownership of IT Services.

While scenario C counts on using current existing channels, scenario D uses a brand new platform. The first mentioned scenario represents an incremental innovation.[2] Many changes would be needed in each channel to be merged as the "3i" platform and work like one body for submitters. Out of the four up to

[1] Source: own source
[2] Incremental Innovation: Business Coach. Radical versus Incremental Innovation. [online] 2001-2010 [cit. 2010-04-10]. Available from WWW: <http://www.1000ventures.com/business_guide/innovation_radical_vs_incr.html>

now implemented channels, there would be merge of three of them using one platform and one wouldn't be used anymore. For employees and therefore potential submitters of ideas there would be only one platform promoted and available through which they could manage all their ideas. Scenario C continues what has been implemented already. The scope of improvement here has a rather wide range. There are quite many variations possible of how to manage the merge internally within the "3i" platform. The more united system wanted, the bigger investment needed. However sponsoring current working channels on their performance would also have costs. What is a plus here is that the scenario C offers quite flexible, content wise and also on time wise, solution that can be implemented up to the current strategy and needs of IT Services. As scenario D also works with the idea of "3i" there are certain parts like in the platform for submitting ideas that can be used also when realizing scenario C.

Scenario D dissertates about a radical innovation.[1] It aims to leave known programs and build up a new united one covering all needs of IT Services on this issue. However, it takes into consideration results of analysis of the previous programs. INNOVATE succeeded in beginning also because it was new and people from IT Services liked it. Similarly a new platform that is simple for submitters motivates them and has positive results for them and IT Services would be welcome. Analysis showed up a focus on its transparency is needed for submitters and also for people managing the platform. Important for the success of scenario D is also well-prepared motivation system, reward system and the set of key performance indicators.

3.2. Motivation System, Reward System and KPI

Motivation system, reward system and key performance indicators can be flexibly modulated and applied to all four proposed scenarios. Therefore are detailed separately in following subchapters.

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[1] Radical Innovation: Business Coach. Radical versus Incremental Innovation. [online] 2001-2010 [cit. 2010-04-10]. Available from WWW: <http://www.1000ventures.com/business_guide/innovation_radical_vs_incr.html>

3.2.1. Motivation System

DP DHL is a big company with a specific culture. Its employees create the culture.

To create a successful motivation system, it is important to foster **culture of openness** that would enable and motivate employees to actively participate on the growth of the company.

Besides recognition of a reward system it was found that **making progress in one's work** matters the most among employees.

An attitude of **„tolerance of failure"** helps to promote creativity without mind-blocks and is thus also a significant key aspect of a motivation system.

Workshops

INNOVATE proved that workshops on creativity are a great source of motivation employees and generating ideas, as they foster creativity and thinking out of the box. It's recommended to continue in this activity and develop them further for the best suitable usage.

Target groups of employees could be invited for workshops to ensure that the motivation system covers all areas currently considered as potential for good ideas.

Brainstorming Sessions

There could be done brainstorming sessions for particular departments and teams, where employees are working on similar issues and often time come from the same environment. Generating ideas there would bring a direct group mutual agreement of generated ideas. ITS Green has been using similar approach.

Also specific topics for workshops might be very productive. It could be: „Get 3i – on our environment, of IT Service costs saves, for our department, for our processes, on corporate social responsibility, on IT Services and global warming, from everywhere etc."

International Colleagues

It would be great opportunity to have internationals colleagues in the teams managing IT Services' idea generation. Such employees could bring freshness and different than common approach to the work.

The best it would be a cross-cultural interns of IT Services business units in Germany, Czech Republic and Malaysia where interns could interact with IT Services back home after finishing their internship.

In many departments of DP DHL are employed international trainees. Most of them are realized through AIESEC Program that has been working with DP DHL since 1996 and has a good working system for managing young careers. Such trainees come for 6 to 12 month internships. It's very common for such interns to be highly motivated, hardworking and positive minded young people with many experiences of inspiring others and working in creative environments. Many of them have great profiles of academic and working background – experience with delivering workshops, working on projects, having marketing experience together with excellent presentations and facilitation skills.

Another option, for reaching some of above-mentioned benefits, could be working with local interns.

Also when there is a team for a process that is working cross-country in all three IT Services countries, there should be all these countries represented in the team, meaning that such people know the environment and it should be easier for them to track the ideas appropriately.

An Interactive User-friendly Platform for Submitting Ideas

Such a platform will help to build up an innovation-friendly environment among IT Services.

A smooth flow for submitting ideas goes together with clear and simple corporate pages. A concept how such a page could look like is described more in Scenario D (viz. 3.1.4.). Using information about current happening, videos, demos of how the platform works, examples of good case practices is few of main motivators.

By showing examples of successful stories, it will help to build a trust of implementing meaningful ideas.

A transparency of processes plays also a significant role in here.

Most Popular Ideas

Every employee should have the right to either agree or disagree others' ideas. Than there will be an order of most liked and also of most disliked ideas. It is a question whether to public the most disliked ideas as it could de-motivate the submitter and it might contradict with the "tolerance of failure". But on another hand and carefully treated, the worst idea a year could be used as a motivator of: "Do you have a better idea than this one?"

Run Campaigns

To run a couple of months' campaign like it was in a case of ITS GREN Challenge is a great opportunity to involve people on current happening in the globalized world and make progress for IT Services. A connection to workshops and brainstorming sessions on such topics would increase ideas generated there.

Ask for Feedback

In order to follow up with the program of ideas, it's important to stay flexible and updated about how is the program perceived by employees and what could be done better. There should be a section on a webpage e.g.: "How cam we make 3i better for you and IT Services?" with blank space for feedback and also with hints on topics like the campaigns in run, workshops etc. Similarly after workshops, brainstorming sessions or processes of idea tracking the participants and idea submitters should be asked to leave a relevant feedback as well. An automatic mail couple of days after submitting and/or implementing an idea as well as after participating on a workshop or brainstorming session could be send to ask for this.

A Competition in Between Departments

IT Services is divided to seven main departments plus Human Resources, Legal, Finance and Strategy & Planning. Inside these departments are mostly five to ten subdivisions per department. Altogether it creates 60-70 subdivisions.

An IT Services Global Competition can run every year measuring number of ides submitted per subdivision and number of ideas implemented per subdivision. Both would be also measured in comparison to number of employees per subdivision. Altogether it will be compared in between the main departments as well. The best department should get a remarkable recognition over the whole IT Services network and the submitter with most ideas implemented should get besides recognition also a valuable price.

For competition in between departments, it is suggested to present it as departments' contribution to IT Services progress. This should create a healthy competitive and motivational environment rather than a pure competition field.

Two important aspects will be reached here. First, the already mentioned healthy competitive environment in between departments where their leaders would have an ownership of the contribution of their department and secondly, everyone inside IT Services will count in this competition and will be involved into idea harvesting.

Motivators are also benefits coming out of a reward system for idea submitters.

3.2.2. Reward System

The reward system is recommended to stay in two main pillars; gifts and recognition.

Gifts

As gifts it can be either financial or other gift. Other gifts are recommended to be popular items people like to use in their free time or vouchers on clothes shopping, culture adventures etc.

Recognition

Recognition is to be done over the idea program network – news on iShare or other platform, monthly bulletin and a public recognition on special events at IT Services.

Who to Award and How?

Following table (Tab. 3.1.) shows possible awards for idea contribution.

3 Ideas Implemented with the most cost savings per quarter of a year would get financial gift of 300€ and significant recognition among the program of IT Services network.
3 Most Popular Ideas per quarter of a year would get financial gift of 100€ and recognition over the program's network as well.
Once a year 3 Top Ideas Implemented would be awarded publicly during 3i Day being awarded by bountiful gifts and the recognition among the network.
The Best Individual Idea a Year and Best Team Idea a Year would by awarded by bountiful gits.

Tab. 3.1. Who to Award and How?[1]

Announcing results and the winner of the competition in between departments and their subdivisions would make a significant recognition among whole IT Services.

3i Day – an Idea Day

Once a year the program that is managing idea generation among IT Services should organize this day. It could be one afternoon, best in summer when it could be outside, in Prague, Bonn and Cyberjaya as well. A special event with the aim to celebrate and recognise progress of the program and people behind that are managing the process of idea management. There could be activities similar to workshops and brainstorming sessions, where all visitors could see and try what it is about. A one-day competition of that 3i Day could be announced – a most popular idea shared that day or awarding best ideas of the year would take place there. Such event could be done as a part of another DP DHL event such as the Sommer Fest in Bonn or similar event if it fits the situation. Employees could invite their partners and children as well if possible.

This is a great opportunity to catch employees' attention, show program's importance and motivate. Such a day resp. afternoon should take place every year regularly. There is a big potential to be used in such happenings.

[1] Source: own source

3.2.3. Key Performance Indicators

Key Performance Indicators, also known as KPI, help an organization to define and measure performance toward organizational goals. It provides a series of measures against which internal managers can judge the progress and how it is likely to perform over the medium and long term.

To have an overview of the process' performance it is recommended to measure yearly, quarterly and monthly: all also in total, per department and per subdivision:

Number of ideas submitted.	Ratio of number of ideas submitted on number of employees (=potential submitters).	Number of submitters.
Number of ideas implemented.	Ratio of number of ideas implemented on number of employees.	Number of submitters.
Number of ideas in process.		
Number of rejected ideas.		
Cost savings of ideas implemented.	Ratio of cost savings of ideas implemented on number of employees.	
Number of workshops.	Number of ideas submitted by workshop participants.	Cost savings on ideas coming out of implemented ideas gained from workshop participants.
Number of brainstorming sessions.	Number of ideas submitted by brainstorming participants.	Cost savings on ideas coming out of implemented ideas gained from brainstorming session participants.
Number of campaigns	Number of ideas submitted to particular campaign.	Cost savings on ideas coming out of implemented ideas gained from campaigns.

Tab. 3.2. Measured Data of Performance[1]

Some of these measures represent also measures for the competition in between departments described before.

Recommended Key Performance Indicators out of the above measured data:

[1] Source: own source

1. Number of ideas submitted - yearly in total.
2. Ratio of number of ideas submitted on number of employees - yearly in total.
3. Number of ideas implemented - yearly in total.
4. Ratio of number of ideas implemented on number of employees - yearly in total.
5. Cost savings of ideas implemented – yearly in total.
6. Ratio of cost savings of ideas implemented on number of employees – yearly in total.

Tab. 3.3. Key Performance Indicators[1]

3.3. Recommendations for Next Research

A further exploration on Scenarios A and B and their feasibility in a practise is suggested.

A budget structure and timeframe of putting into practice all scenarios require further investigation that could not be fitted to the range of this thesis.

[1] Source: own source

CONCLUSION

Finding the right literature, getting to know the environment of IT Services and Deutsche Post DHL and applying all these to previously analyzed situation were very enriching to me. I believe it will have a positive impact within Deutsche Post DHL. I would like this thesis to be used in practice for moving things toward right directions, and to help IT Services to benefit out of its innovative potential.

An issue of innovation management in was subject of this thesis investigation. For this first a theoretical background support was researched and next section described briefly the enterprise and continued by analysis. Current implemented programs for submitting ideas that have been working over IT Services of Deutsche Post DHL were examined by using collected coherent data. Further proposals and suggestions recommended four possible scenarios for the situation. A motivation and a reward system were proposed followed by determined Key Performance Indicators for an assessment. Given all these, it is stated that the thesis target was fulfilled without an exception.

As long as there are problems to be solved, there will be also innovators to solve the problems. Enterprises that use the current tough times as an excuse to de-emphasize innovation are told by experts to severely regret it. I believe nowadays it is already the time when innovation loses its reputation for being random and unpredictable. Last 20 years many studies and activities in academic and also working field have taken away much of the randomness and organizations can now approach innovation in a more confident and disciplined manner. I believe my thesis contribute to this having a positive impact.

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List of Abbreviations and Symbols

Bnn	–	Bonn
Cbj	–	Cyberjaya
CR	–	Change Request
CMMI	–	Capability Maturity Model Integration
DP DHL	–	Deutsche Post DHL
DPWN	–	Deutsche Post World Net
Etc.	–	And so on
E.g.	–	For example
FAQ	–	Frequently Asked Questions
GBS	–	Global Business Services
IDV	–	Individualism
ITS	–	IT Services
KPI	–	Key Performance Indicators
LTO	–	Long – Term Orientation
MAS	–	Masculinity
PDI	–	Power Distance Index
PI	–	Process Improvement
PMO	–	Program Management Office
Prg	–	Prague
Resp.	–	Respective
SWOT	–	Strengths Weaknesses Opportunities Threats
Tbc	–	To Be Continued
UAI	–	Uncertainty Avoidance Index

Statement of Thesis's Result Usage

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V Sádku dne 25.4.2010

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List of Figures and Tables

List of Appendices